



2020 To 2023 Preliminary Operating and Capital Budgets

# Public Works Department and Street Lighting



Standing Policy Committee on Infrastructure Renewal and Public Works

March 12, 2020

# Agenda

1. Strategic Objectives, Priorities and Performance Measurement
2. Preliminary Operating and Capital Budgets – Summary
3. Public Works Department
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  - Year over Year Variance Explanations
  - Salaries and benefits, FTEs, and vacancy management
  - Other Important Operating Budget Information
4. Capital Budget
  - Capital Investment Plan - Authorization
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  - Capital Forecast to Submission Reconciliation
  - Other Important Capital Budget Information
5. Capital Budget Referrals
6. Street Lighting
  - Summary
  - Operating Budget
  - Year over Year Variance Explanations
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# Strategic Objectives, Priorities and Performance Measurement

## Strategic Objectives Source: Volume 1 Community Trends and Performance Report

- Continue to provide citizens with access to well-maintained roadways, sidewalks, and bridges in order to ensure the safe, efficient movement of people, goods and services.
- Continue to plan, design, and manage the transportation system and the traffic regulatory environment to provide a safe, environmentally-aware, accessible and sustainable transportation system.
- Continue to provide effective roadway snow and ice control services, providing safe and accessible conditions on city streets and sidewalks throughout the winter season.

## Key Priorities Source: Volume 1 Community Trends and Performance Report

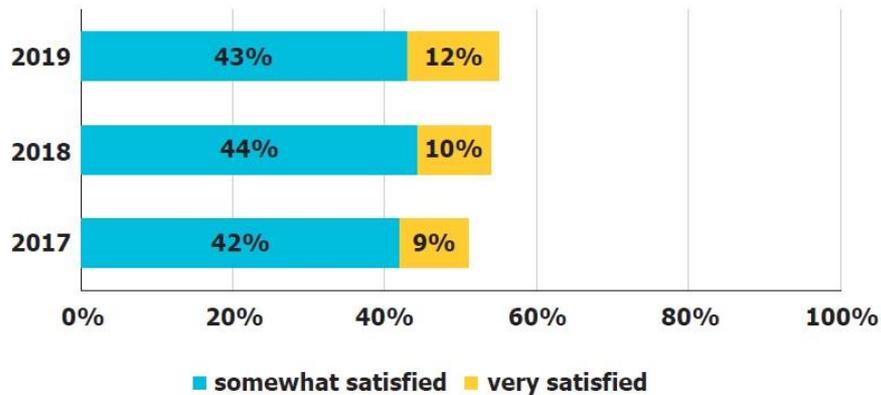
- Expand and refine roadway asset management systems.
- Provide optimized delivery of infrastructure projects.
- Invest in equipment and technology that supports a sustainable transportation system.
- Expand the Active Transportation System network.
- To provide the citizens of Winnipeg with safe and accessible roadway infrastructure.
- Delivering efficient and effective snow and ice control services during the winter months.

# Strategic Objectives, Priorities and Performance Measurement

## Transportation Planning and Traffic Management Performance Measurements

### Effectiveness Measurements

#### Citizen Satisfaction with the Management of Rush Hour Traffic Flow



Citizen satisfaction with traffic management during rush hour continues to increase and is trending in a positive direction in terms of somewhat satisfied or very satisfied despite the record levels of Capital spending on road construction.

The Transportation Management Centre began operation in early 2017 and its benefits in improving traffic management is likely being reflected in the positive increase in satisfaction in the citizen satisfaction survey.

	2015	2016	2017	2018	2019
Total Satisfied	46%	47%	51%	54%	55%

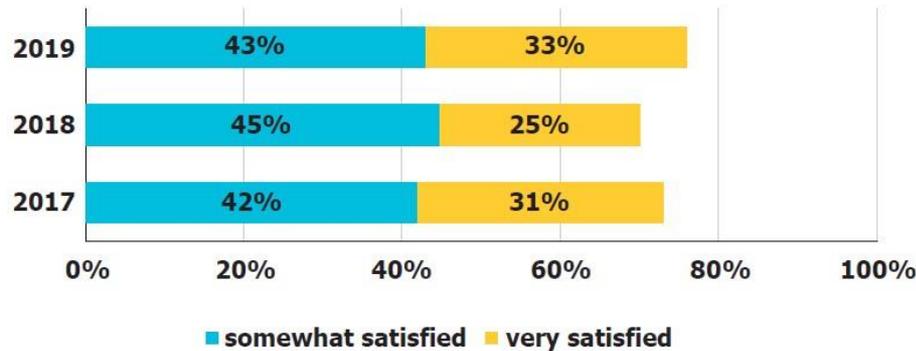
Source: City of Winnipeg Annual Citizen Survey

# Strategic Objectives, Priorities and Performance Measurement

## Roadway Snow Removal and Ice Control Performance Measurements

### Effectiveness Measurements

#### Citizen Satisfaction with Snow Removal



The 2018-2019 winter experienced an above normal snowfall for the month of February which resulted in multiple plows on the inventory. Even with the challenge the citizen satisfaction for Snow Removal increased 6% in 2019.

	2015	2016	2017	2018	2019
<b>Total Satisfied</b>	70%	73%	73%	70%	76%

Source: City of Winnipeg Annual Citizen Survey

# Strategic Objectives, Priorities and Performance Measurement

## Operating Budget by Service

(in millions of \$)

Service Numbers based on Public Works Expenditures only	2019 Approved Budget	2020 Preliminary Budget	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
Roadway Construction & Maintenance	126.264	138.405	150.050	162.836	176.099
Roadway Snow Removal & Ice Control	34.828	35.060	35.000	35.273	35.679
Transportation Planning & Traffic Management	18.818	19.148	18.380	18.693	19.011
City Beautification	17.479	17.325	17.343	17.493	17.712
Developer Applications, Building Permits & Inspection	0.379	0.389	0.395	0.403	0.411
Land Drainage & Flood Control	0.180	0.196	0.195	0.197	0.197
Parks and Open Space Services	46.854	48.631	48.593	48.520	48.398
<b>Total Expenditure Budget*</b>	<b>244.802</b>	<b>259.154</b>	<b>269.956</b>	<b>283.415</b>	<b>297.507</b>

\*Total expenditure budget includes transfer to street reserves, transfer to capital and debt and finance charges.

# Key projects

- **Completion of the Transportation Master Plan**
- **Road Safety Action Plan & Improvements**
  - Traffic Calming Initiatives
  - Speed Limits
  - Education & Awareness
- **Continued Research Efforts**
  - Municipal Infrastructure Chair
  - Road Construction Working Group
  - Refined Standards & Specifications

# 2020 Preliminary Public Works Department Operating and Capital Budgets

1. Operating Budget – Annual year over year budget growth rates (%) based on 2019 expenditures

	<b>4-year Average</b>
EPC Target to balance the budget	1.50%
Operating options presented to Committee in Fall 2019	1.19%
<b>Preliminary Budget</b>	<b>0.70%</b>

2. Cash to Capital Funding Levels

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Presented to Committee in Fall 2019	15.441	4.545	3.462	4.248	3.892	4.794
<b>Preliminary Budget</b>	<b>9.334</b>	<b>6.045</b>	<b>4.962</b>	<b>3.748</b>	<b>3.892</b>	<b>4.794</b>

# Public Works Department Operating Budget

2020 Preliminary Operating Budget and 2021 to 2023 Budget Projections in millions of \$	2018 Actual	2019 Budget	2020 Preliminary Budget	Year over Year Increase / (Decrease)	%	Exp. No.	2021 Projection	2022 Projection	2023 Projection	4 year Average % Change
TAXATION	62.906	63.245	63.795	0.550			64.177	64.558	64.940	
GOVERNMENT GRANTS	3.378	3.320	3.220	(0.100)			3.220	3.220	3.220	
REGULATION FEES	6.336	6.858	6.894	0.036			6.978	7.129	7.284	
TRANSFERS	1.966	2.000	2.000	-			-	-	-	
SERVICE AND OTHER	1.537	1.813	1.918	0.105			1.950	1.983	2.015	
<b>TOTAL REVENUE</b>	<b>76.123</b>	<b>77.236</b>	<b>77.827</b>	<b>0.591</b>	<b>0.77%</b>	<b>1</b>	<b>76.325</b>	<b>76.890</b>	<b>77.459</b>	<b>0.08%</b>
SALARIES & BENEFITS	74.503	75.704	77.251	1.547			78.427	80.117	81.622	
SERVICES	60.061	61.904	60.785	(1.119)			59.771	59.732	60.472	
MATS PARTS & SUPPLIES	22.148	22.970	22.276	(0.694)			22.408	22.505	22.524	
ASSETS & PURCHASES	0.720	0.323	0.331	0.008			0.331	0.331	0.331	
DEBT & FINANCE CHARGES	0.185	0.065	0.065	-			0.065	0.065	0.065	
GRANTS, TRANSFERS & OTHER	11.915	9.406	9.513	0.107			9.539	9.605	9.648	
RECOVERIES	(22.929)	(18.290)	(18.290)	-			(18.290)	(18.290)	(18.290)	
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>146.603</b>	<b>152.082</b>	<b>151.931</b>	<b>(0.151)</b>	<b>-0.10%</b>		<b>152.251</b>	<b>154.065</b>	<b>156.372</b>	<b>0.70%</b>
TRANSFER TO REGIONAL STREET RESERVE	25.270	30.870	36.770	5.900			42.870	49.170	51.170	
TRANSFER TO LOCAL STREET RESERVE	29.770	35.370	41.270	5.900			47.370	53.670	64.670	
TRANSFER TO FRONTAGE LEVIES	10.000	10.000	10.000	-			10.000	10.000	10.000	
TRANSFER TO CAPITAL	16.107	5.481	9.334	3.853			6.045	4.962	3.748	
DEBT & FINANCE CHARGES	9.973	10.999	9.849	(1.150)			11.420	11.548	11.547	
<b>TOTAL EXPENDITURES</b>	<b>237.723</b>	<b>244.802</b>	<b>259.154</b>	<b>14.352</b>	<b>5.86%</b>	<b>2</b>	<b>269.956</b>	<b>283.415</b>	<b>297.507</b>	<b>5.00%</b>
<b>Mill Rate Contribution / (Support) *</b>	<b>161.600</b>	<b>167.566</b>	<b>181.327</b>	<b>13.761</b>			<b>193.631</b>	<b>206.525</b>	<b>220.048</b>	
<b>Total Operational Expenditures (before capital related expenditures) Year over Year % Change</b>					<b>-0.10%</b>		<b>0.21%</b>	<b>1.19%</b>	<b>1.50%</b>	<b>0.70%</b>
<b>Total Expenditures Year over Year % change</b>					<b>5.86%</b>		<b>4.17%</b>	<b>4.99%</b>	<b>4.97%</b>	<b>5.00%</b>

# Year over Year Variance Explanations

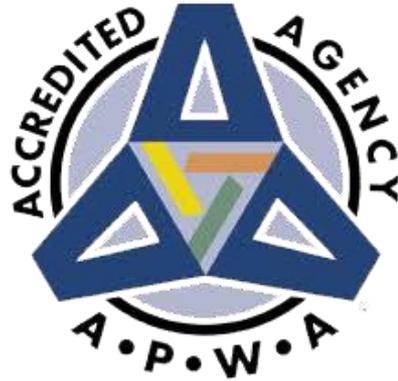
(in millions)

Year over year (increase) / decrease	2020 Preliminary Budget	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
1) <i>Revenue change due to the following:</i>				
- Increase in Frontage Levy	\$ 0.550	\$ 0.382	\$ 0.382	\$ 0.382
- Increase in permit revenue	\$ 0.154			
- Decrease/Increase in cut program revenues	\$ (0.159)	\$ 0.037	\$ 0.103	\$ 0.105
- Adjustment of transfer from Insect Control Reserve	\$ -	\$ (2.000)	\$ -	\$ -
- Miscellaneous adjustments.	\$ 0.046	\$ 0.079	\$ 0.080	\$ 0.082
<b>Net Revenue Change</b>	<b>\$ 0.591</b>	<b>\$ (1.502)</b>	<b>\$ 0.565</b>	<b>\$ 0.569</b>
2) <i>Expenditure change due to the following:</i>				
- Increase in Transfer to Street Reserves	\$ 11.800	\$ 12.200	\$ 12.600	\$ 13.000
- Increase/Decrease in Transfer to Capital	\$ 3.853	\$ (3.289)	\$ (1.083)	\$ (1.214)
- Increase in Salaries and Benefits	\$ 1.547	\$ 1.176	\$ 1.690	\$ 1.505
- Increase in Active Transportation Winter Mtce	\$ 0.419	\$ 0.017	\$ -	\$ -
- Increase in Contracts & Materials expenditures	\$ 0.226	\$ -	\$ -	\$ -
- Decrease/Increase in Fleet and Fuel expenditures	\$ (1.922)	\$ (0.965)	\$ 0.006	\$ 0.631
- Decrease/Increase in Debt and Finance Charges	\$ (1.150)	\$ 1.571	\$ 0.128	\$ 0.001
- Decrease in Grants & Community Partnership contribution	\$ (0.272)			
- Decrease/Increase in cuts program expenditures	\$ (0.159)	\$ 0.037	\$ 0.103	\$ 0.105
- Miscellaneous adjustments.	\$ 0.010	\$ 0.055	\$ 0.015	\$ 0.064
<b>Net Expenditure Change</b>	<b>\$ 14.352</b>	<b>\$ 10.802</b>	<b>\$ 13.459</b>	<b>\$ 14.092</b>

# Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management

	2019 Adopted Budget	2020 Preliminary Budget	Increase / (Decrease)	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
<b>Full Time Equivalents</b> <i>(number of FTEs)</i>	1,018.31	1,018.51	0.20	1,018.51	1,018.51	1,018.51
<b>Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ 75.704	\$ 77.251	\$ 1.547	\$ 78.427	\$ 80.117	\$ 81.622
<b>Vacancy Management included in Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ (3.818)	\$ (3.818)	\$ -	\$ (3.826)	\$ (3.878)	\$ (3.931)

# Other Important Operating Budget Information



**Thin Bituminous Overlay (TBO) Program**



**Active Transportation Winter Maintenance**

# Capital Budget

## PUBLIC WORKS DEPARTMENT - GENERAL CAPITAL FUND

Capital Investment Plan - Authorization

(\$000's)

**List of Capital Projects:**

	2019 Adopted	2020 Preliminary Budget	Forecast					6-Year Total
			2021	2022	2023	2024	2025	
1 Pedestrian & Cycling Program	3,024	3,622	1,852	1,650	1,590	1,651	1,683	12,048
2 Tache Promenade	-	-	-	-	-	-	-	-
3 Developer Payback - Various Locations	-	9,750	-	-	-	-	-	9,750
4 Tuxedo Yards Development	3,741	-	-	-	-	-	-	-
5 Transportation Master Plan	250	875	125	250	-	-	-	1,250
6 Traffic Signals Improvements	1,030	688	-	-	-	-	-	688
7 Traffic Signals Loops	250	250	250	250	250	250	250	1,500
8 Permanent Traffic Monitoring Stations	945	623	-	-	-	-	-	623
9 Traffic Engineering Improvements - Various Locations	1,575	1,900	1,560	1,177	1,119	1,200	1,229	8,185
10 Inner Ring Road - Functional Design	-	-	-	-	-	551	-	551
11 Marion Street Improvements - Functional Design Study	917	-	-	-	-	-	-	-
12 Regional and Local Street Renewal	86,436	130,322	151,016	161,416	136,001	124,095	144,104	846,954
13 Fermor Avenue Bridge (Seine River)	4,600	-	-	-	-	-	-	-
14 Osborne Street Underpass	-	-	-	-	-	-	1,100	1,100
15 Dublin Avenue Bridge (Omand's Creek)	700	3,300	-	-	-	-	-	3,300
16 Sherwin Road Bridge (Omand's Creek)	700	-	-	-	-	-	-	-
17 Pembina Highway Overpass (Bishop Grandin) Rehabilitation	-	-	-	-	1,000	2,000	17,400	20,400
18 Kenaston/Route 90 Widening and St. James Bridges	2,163	-	-	-	-	-	-	-
19 St. Vital Bridge Rehabilitation	-	-	2,000	6,212	13,600	19,200	-	41,012
20 Lagimodiere Twin Overpass (Concordia Ave & CPR Keewatin)	-	-	-	2,000	2,000	2,000	-	6,000
21 Waterway Crossing & Grade Separations - Annual Program	3,000	2,970	3,513	3,000	3,000	3,000	3,000	18,483
22 Disraeli Bridge & Overpass Facility	-	-	-	-	-	-	-	-
23 Charleswood Bridge	-	-	-	-	-	-	-	-
24 Chief Peguis Trail - Henderson Hwy to Lagimodiere Blvd	-	-	-	-	-	-	-	-
25 Work Management/Asset Management Systems Study	300	-	-	-	-	-	-	-
26 Asset Management System - Various Divisions	100	100	100	100	100	100	100	600
27 Land Acquisition - Transportation Right of Way	-	1,180	-	-	-	-	-	1,180
28 Parks and Urban Forestry Capital Program	8,653	9,095	13,978	9,573	9,378	2,045	4,313	48,382
<b>TOTAL CAPITAL PROJECTS</b>	<b>118,384</b>	<b>164,675</b>	<b>174,394</b>	<b>185,628</b>	<b>168,038</b>	<b>156,092</b>	<b>173,179</b>	<b>1,022,006</b>

# Capital Budget Options

Options Presented to SPC / Board vs. Preliminary Budget	Total 6-year Proposal	Total 6-year Preliminary Budget	Explanation
a. Pedestrian and Cycling Program investments will include priority and urgent projects only, will maximize previously authorized budgets.	(6.956)	(6.421)	Budget reduction included in the 6-year program with additional investments to support the Pedestrian and Cycling program.
b. Developer Payback reduction will be achieved by estimated savings in financing costs for the Kildare Ave extension (AG 10/13).	(0.750)	(0.750)	Budget reduction included in the 6-year program.
c. Transportation Master Plan - project scope will be modified while still achieving the core purpose of the project.	(0.750)	(0.750)	Budget reduction included in the 6-year program.
d. Traffic Engineering Improvements - Various Locations - investments will include priority and urgent projects only, will maximize previously authorized budgets.	(2.615)	(2.615)	Budget reduction included in the 6-year program.
e. Inner Ring Road - Functional Design project scope will be modified while still achieving the core purpose of the project.	(0.449)	(0.449)	Budget reduction included in the 6-year program.
f. Regional and Local Street Renewal program projects (with the exception of accelerated regional roads) will be deferred due to the realignment of the bridge program.	(36.205)	(42.517)	Budget reduction included in the 6-year program related to \$20M external debt charged to local street renewal reserve.

# Capital Budget Options

Options Presented to SPC / Board vs. Preliminary Budget	Total 6-year Proposal	Total 6-year Preliminary Budget	Explanation
g. Osborne Street Underpass study and preliminary design will be deferred to 2025.	-	-	Budget deferral included in the 6-year program.
h. Pembina Highway Overpass (Bishop Grandin) Rehabilitation will be deferred to 2023, with an estimated cost increase of \$1.75M.	1.750	1.750	Budget deferral included in the 6-year program.
i. St. Vital Bridge Rehabilitation - bridges are in very poor condition and should not be deferred. Reallocation allows for this multi-year budget to advance by one year which is advantageous.	-	0.012	Budget refinement included in the 6-year program.
j. Lagimodiere Twin Overpasses (Concordia Ave & CPR Keewatin). This route and location may be a key element of the upcoming Transportation Master Plan, reallocation allows for this multi year budget to advance by one year which is advantageous. Increase of \$3M to total budget includes funding for anticipated complex project considerations including design, property acquisition and preparation of detours. Additional project funding is estimated at \$38M outside of the 6-year total for a total estimate of \$44M.	3.000	3.000	Budget advance included in the 6-year program.
k. Waterway Crossing & Grade Separation - Annual Program project scope will be modified while still achieving the core purpose of the project.	(0.625)	(0.625)	Budget reduction included in the 6-year program.
l. Land Acquisition - Transportation Right of Way reduction or deferral of budget will result in lost opportunity to acquire land at market value, purchasing of land will be on an as needed basis.	(1.880)	(1.880)	Budget reduction included in the 6-year program.
<b>Total Adjustments</b>	<b>(45.480)</b>	<b>(51.245)</b>	

# Capital Forecast to Preliminary Budget Reconciliation

**ATTACHMENT TO THE PRESENTATION (APPENDIX 1)**

# Other Important Capital Budget Information



# Capital Budget Referrals

Capital Budget Referrals			2020	2021	2022	2023	2024	2025
Roads Funding Shortfall	Roads Funding Shortfall - \$20 million roads funding shortfall due to the loss of provincial funding be referred to the 2020 capital budget process as reflected in the capital forecast - Council (March 20, 2019)  Amount has been reflected in the Departments capital budget submission.	Council (March 20, 2019)	✓	✓	✓	✓	✓	✓
Federal Gas Tax Funding	<b>The Federal Government's one-time payment of \$44.09 million is allocated as \$22.5 million for 2019, and \$21.59 in 2020.</b>	Council (April 25, 2019)	✓	✓	✓	✓	✓	✓
Winnipeg Area Transportation Study	Winnipeg Area Transportation Study - Referred funding for an Area Transportation Study to the 2020 Capital Budget Review process for consideration. Amount has been included in the Departments 2020 Capital Budget submission (Transportation Master Plan)	Standing Policy Committee - Infrastructure Renewal and Public Works (October 1, 2019)	✓	✓	✓	x	x	x
Castlebury Meadows Subdivision - Review of Pedestrian Access	The installation of pedestrian pathways and sidewalks for pedestrian access to the Castlebury Meadows Subdivision be considered during the 2020-2023 budget process.	Standing Policy Committee - Infrastructure Renewal and Public Works (December 5, 2019)	x	x	x	x	x	x

Included in the budget	✓
Not budgeted	x

# 2020-2023 Preliminary Street Lighting Operating Budget

1. Street Lighting Operating Budget – Annual year over year budget growth rates (%) based on 2019 expenditures

	<b>4-year Average</b>
EPC Target to balance the budget	0.00%
Operating options presented to Committee in Fall 2019	0.00%
<b>Preliminary Budget</b>	<b>3.65%</b>

# Street Lighting Operating Budget

2020 Preliminary Operating Budget and 2021 to 2023 Budget Projections in millions of \$	2018 Actual	2019 Budget	2020 Preliminary Budget	Year over Year Increase / (Decrease)	%	Exp. No.	2021 Projection	2022 Projection	2023 Projection	4 year Average % Change
<b>TOTAL REVENUE</b>	-	-	-	-	0.00%	1	-	-	-	0.00%
LIGHT AND POWER	12.353	13.062	12.391	(0.671)			13.626	14.295	14.998	
MATS PARTS & SUPPLIES	0.072	0.054	0.054	-			0.054	0.054	0.054	
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>12.425</b>	<b>13.116</b>	<b>12.445</b>	<b>(0.671)</b>	<b>-5.12%</b>		<b>13.680</b>	<b>14.349</b>	<b>15.052</b>	<b>3.65%</b>
<b>TOTAL EXPENDITURES</b>	<b>12.425</b>	<b>13.116</b>	<b>12.445</b>	<b>(0.671)</b>	<b>-5.12%</b>	2	<b>13.680</b>	<b>14.349</b>	<b>15.052</b>	<b>3.65%</b>
<b>Mill Rate Contribution / (Support) *</b>	<b>12.425</b>	<b>13.116</b>	<b>12.445</b>	<b>(0.671)</b>			<b>13.680</b>	<b>14.349</b>	<b>15.052</b>	
<b>Total Operational Expenditures (before capital related expenditures) Year over Year % Change</b>										
					<b>-5.12%</b>		<b>9.92%</b>	<b>4.89%</b>	<b>4.90%</b>	<b>3.65%</b>
<b>Total Expenditures Year over Year % change</b>					<b>-5.12%</b>		<b>9.92%</b>	<b>4.89%</b>	<b>4.90%</b>	<b>3.65%</b>

## Operating Budget Options

Options Presented to SPC / Board vs. Preliminary Budget	Total 4-year Proposal	Total 4-year Preliminary Budget	Explanation
a. Reduction of the 76,000 City powered street lights.	(3.733)	-	No reduction to city powered street lights included in the total 4-year preliminary budget.
<b>Total Adjustments</b>	<b>(3.733)</b>	<b>-</b>	

# Year over Year Variance Explanations

(in millions)

Year over year (increase) / decrease	2020 Preliminary Budget	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
1) <i>Revenue change due to the following:</i> - n/a				
<b>Net Revenue Change</b>	\$ -	\$ -	\$ -	\$ -
2) <i>Expenditure change due to the following:</i>				
- Adjustment to base budget (unbudgeted LED savings and billing adjustments in prior year)	\$ (0.965)	\$ 0.597	\$ -	\$ -
- Projected LED rate savings	\$ (0.246)	\$ -	\$ -	\$ -
- Projected rate increase	\$ 0.419	\$ 0.508	\$ 0.533	\$ 0.560
- Projected growth	\$ 0.121	\$ 0.130	\$ 0.136	\$ 0.143
<b>Net Expenditure Change</b>	\$ (0.671)	\$ 1.235	\$ 0.669	\$ 0.703

# Questions?